

DATE STAMP AND RETURN

WC 02-268

READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING (1) LOCKBOX # 358115	FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVISEE FCC/MELLON	Approved by OMB 3060-0589 Page No 1 of 1 SPECIAL USE FCC USE ONLY
SECTION A - PAYER INFORMATION		
(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) Telelobe USA, Inc. - Debtor-In-Possession		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$815.00
(4) STREET ADDRESS LINE NO. 1 11480 Commerce Park Drive		
(5) STREET ADDRESS LINE NO. 2		
(6) CITY Reston	(7) STATE VA	(8) ZIP CODE 20191
(9) DAYTIME TELEPHONE NUMBER (include area code) (703) 755-2507	(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(11) PAYER (FRN) 0007466782	(12) PAYER (TIN) 0541739110	
IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)		
(13) APPLICANT NAME		
(14) STREET ADDRESS LINE NO. 1		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY	(17) STATE	(18) ZIP CODE
(19) DAYTIME TELEPHONE NUMBER (include area code)	(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(21) APPLICANT (FRN)	(22) APPLICANT (TIN)	
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1
(26A) FEE DUE FOR (PTC) \$815.00	(27A) TOTAL FEE \$815.00	FCC USE ONLY
(28A) FCC CODE 1	(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1	(29B) FCC CODE 2	
SECTION D - CERTIFICATION		
(30) CERTIFICATION STATEMENT I, <u>Troy E. Tanner</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. SIGNATURE <u>[Signature]</u> DATE <u>8/25/02</u>		
SECTION E - CREDIT CARD PAYMENT INFORMATION		
(31) <input type="checkbox"/> MASTERCARD	MASTERCARD/VISA ACCOUNT NUMBER:	EXPIRATION DATE:
<input type="checkbox"/> VISA	I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described.	
SIGNATURE _____		DATE _____

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Teleglobe USA Inc.)
(Debtor-in-Possession))
Assignor)
)
and)
)
Teleglobe Puerto Rico Inc.)
(Debtor-in-Possession))
Assignee)
)
Teleglobe Inc.)
(Debtor-in-Possession))
Transferor)
)
and)
)
SkyOnline Holdings, LLC)
Transferee)
)
Notification of *pro forma* assignment of)
domestic Section 214 authority and)
Application for authority pursuant to Section)
214 of the Communications Act of 1934, as)
amended, for the subsequent transfer of)
control of Teleglobe Puerto Rico Inc.)
(Debtor-in-Possession).)

WE Bucket No. 07-268

File No. _____

**NOTIFICATION OF A *PRO FORMA* ASSIGNMENT AND APPLICATION FOR A
SUBSEQUENT TRANSFER OF CONTROL OF A DOMESTIC SECTION 214
AUTHORIZATION**

Teleglobe USA Inc. (Debtor-in-Possession) ("Teleglobe USA"), Teleglobe
Puerto Rico Inc. (Debtor-in-Possession) ("Teleglobe PR"), and Teleglobe Inc. (Debtor-in-
Possession) ("Teleglobe") and SkyOnline Holdings, LLC ("SkyOnline") (collectively, the
"Applicants") through their undersigned counsel and pursuant to Section 214 of the

Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Section 63.04 of the Rules of the Federal Communications Commission ("Commission"), 47 C.F.R. § 63.04, hereby notify the Commission of the *pro forma* assignment of certain parts of Teleglobe USA's blanket domestic Section 214 authority (the "Section 214 Authorization") to its sister company, Teleglobe PR;¹ and request authority for the subsequent transfer of control of Teleglobe PR from Teleglobe to SkyOnline.

I. The Applicants

A. Teleglobe USA Inc. (Debtor-in-Possession) and Teleglobe Inc. (Debtor-in-Possession)

Teleglobe USA is a Delaware corporation providing both facilities-based and resold telecommunications services to customers in the United States, including Puerto Rico. Teleglobe USA is an indirectly wholly-owned subsidiary of Teleglobe, a provider of international telecommunications services in Canada and around the world. In a letter dated May 16, 2002, Teleglobe USA notified the Commission of the *pro forma* assignment of its international Section 214 Authorizations to Teleglobe USA (Debtor-in-Possession) in connection with a restructuring proceeding commenced in Canada (the "Restructuring Notification"). At the same time, Teleglobe USA also filed for approval of the *pro forma* assignment of its cable landing licenses to Teleglobe USA (Debtor-in-Possession) (the "Restructuring Application"). Approval of the Restructuring Application is still pending at the Commission.

¹ Applicants recognize pursuant to Section 63.03(d) of the Commission's Rules, 47 C.F.R. § 63.03(d), formal approval of the *pro forma* assignment aspect of this transaction is not required. However, as it is an integral part of the entire transaction for which approval is sought, the Applicants include its description here, but do not enclose a processing fee for this part of the transaction.

B. Teleglobe Puerto Rico Inc. (Debtor-in-Possession)

Teleglobe PR is a Puerto Rico corporation providing Internet access, backbone and other information services from facilities located near San Juan. Teleglobe PR is a directly wholly-owned subsidiary of Teleglobe and a sister company of Teleglobe USA. At no point has Teleglobe PR provided voice, private line, or other basic services subject to Title II of the Act. It is intended that upon consummation of the transactions described herein, Teleglobe PR will assume Teleglobe USA's responsibilities in connection with the MAYA-1 cable system.

C. SkyOnline Holdings, LLC

SkyOnline is a Delaware limited liability company, wholly-owned by SkyOnline, Inc. ("SkyOnline, Inc."). Through its operating subsidiaries, SkyOnline, Inc. provides data and voice communications in various Latin American countries. Currently SkyOnline does not hold any cable landing licenses or Section 214 authorizations. SkyOnline's parent company, SkyOnline, Inc., holds a Section 214 authorization to provide global facilities-based and resale services from the United States (File No. ITC-214-19980218-00048).

II. Teleglobe USA's Petition in Bankruptcy

As described in the Restructuring Application, on May 15, 2002, Teleglobe, along with certain of its affiliates, filed for creditor protection under the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the "US Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "US Bankruptcy Court") to stay actions by creditors against the assets of Teleglobe located in the United States pending resolution of Teleglobe's bankruptcy proceeding under Canadian law (the "CCAA Proceedings"). On May 28, 2002,

each of Teleglobe's subsidiaries organized in the United States or in Puerto Rico, including Teleglobe USA and Teleglobe PR, filed voluntary petitions for relief under the US Bankruptcy Code with the US Bankruptcy Court, and such debtors' chapter 11 cases (the "US Chapter 11 Proceedings" and together with the CCAA Proceedings, collectively, the "Bankruptcy Proceedings") have been consolidated for procedural purposes only and are being administered jointly.

As part of the Bankruptcy Proceedings, Teleglobe and Teleglobe USA are undergoing a reorganization (the "Teleglobe Reorganization") which among other steps, involves the transfer and sale of their non-core data and other related telecommunications assets in Central and South America, including Teleglobe USA's ownership interest in the MAYA-1 cable system.

III. The Proposed Transactions

As part of the Teleglobe Reorganization, on July 8, 2002, Teleglobe together with certain of its directly and indirectly wholly-owned subsidiaries, including Teleglobe USA, (collectively "Sellers"), and SkyOnline executed a purchase agreement (the "Purchase Agreement"), a management agreement (the "Management Agreement"), and certain other ancillary agreements, whereby among other transactions: (i) in connection with the Purchase Agreement, Teleglobe USA will assign *pro forma* to Teleglobe PR all of its capacity and ownership rights in the MAYA-1 submarine cable, including the Cable Landing License and associated international Section 214 authorization; (ii) Sellers will sell and SkyOnline will purchase: (A) all of the issued and outstanding equity securities of certain of Teleglobe's Latin American subsidiaries, including the shares of Teleglobe PR from Teleglobe, and (B) certain assets of Teleglobe USA and Teleglobe's Colombian subsidiary; and (iii) SkyOnline will

manage certain of the assets of the Sellers until the closing of the transactions described in (i) and (ii) above (the "Proposed Transactions").² The instant application is necessitated because among the assets being transferred to Teleglobe PR is a Teleglobe USA customer contract for the provision of domestic private line service between the United States and Puerto Rico. The Applicants expect to consummate the Proposed Transactions as soon as all necessary regulatory approvals in the United States and abroad are obtained, including the approval of the U.S. Bankruptcy Court. Upon consummation of the Proposed Transactions, SkyOnline will own all of the issued and outstanding stock of Teleglobe PR.

IV. The Proposed Transactions Will Serve the Public Interest

The assignment of Teleglobe USA's Latin American related assets to Teleglobe PR, including the above-mentioned domestic private line contract, and Teleglobe PR's subsequent transfer of control from Teleglobe to SkyOnline as described herein, is in the public interest because it will lead to the re-emergence of stronger and better-financed competitors in the market for telecommunications services in and between Puerto Rico, the continental United States and international points. SkyOnline believes that it can operate Teleglobe PR's assets in an efficient and economical manner, and bring a stronger financial basis to these operations. SkyOnline's purchase of Teleglobe PR will permit them to provide an array of high quality, economical and efficient services to U.S. consumers, enhance competition and thus serve the public interest.

² The Applicants note that SkyOnline's management of certain of Sellers' assets does not imply a "transfer of control" as such term is defined by the Commission, and that Teleglobe USA will retain *de jure* and *de facto* control of its related assets until the consummation of the Proposed Transactions.

V. Timing

As discussed above, the Proposed Transactions are an important component of the Teleglobe Reorganization and timely securing necessary regulatory authorities is key to stabilizing the assets to be sold. Accordingly, the Applicants request that the Commission commence its examination of the Proposed Transactions immediately, with closing contingent upon securing approval from the US Bankruptcy Court. Given the magnitude of Teleglobe's bankruptcy and its far-reaching effects, it is in the interest of all parties – Teleglobe, Teleglobe USA, Teleglobe PR, their creditors, customers, employees, and SkyOnline – that the reorganization process be completed quickly. The public interest would therefore support commencement of the review process at this time.

In the event an acquirer of Teleglobe PR other than SkyOnline ultimately is confirmed by the Bankruptcy Courts, Teleglobe will amend this Application or file a new application for approval. While the specifics of any such transaction may differ from the Proposed Transactions, the facts about Teleglobe and its subsidiaries will remain the same. In that sense, the Commission will benefit from having begun its review of the instant Application.

VI. Information Required by Section 63.04 of the Commission's Rules

The Commission has set forth certain information requirements in Section 63.04 of the Commission's Rules³ for applications seeking to transfer control over domestic Section 214 carriers. Pursuant to Section 63.04, the Applicants state as follows:

³ See *Public Notice: Common Carrier Bureau Announces Procedures for Applicants Requiring Section 214 Authorizations for Acquisitions of Corporate Control*, 16 FCC Rcd. 13862 (DA 01-1654, *rel.* July 20, 2001).

(1) Name, address and telephone number of Applicants:

Teleglobe USA Inc. (Debtor-in-Possession) **FRN: 0007466782**
11495 Commerce Park Drive
Reston, Virginia 20191
(703) 755-2430

Teleglobe Inc. (Debtor-in-Possession) **FRN: 0007539729**
11495 Commerce Park Drive
Reston, Virginia 20191
(703) 755-2430

Teleglobe Puerto Rico Inc. (Debtor-in-Possession) **FRN: 0007466790**
11495 Commerce Park Drive
Reston, Virginia 20191
(703) 755-2430

SkyOnline Holdings, LLC **FRN: 0007533789**
8270 Greensboro Drive
Suite 950
McLean, Virginia 22102
(571) 633-6400

(2) Jurisdiction of Organization:

Teleglobe USA is a corporation organized under the laws of the State of Delaware.

Teleglobe is a corporation organized under the laws of Canada. Teleglobe PR is a corporation organized under the laws of Puerto Rico. SkyOnline is a limited liability company organized under the laws of the State of Delaware.

(3) Correspondence concerning this Application should be sent to:

For Teleglobe USA, Teleglobe and Teleglobe PR:

c/o Charles Tievsky
Assistant General Counsel
Teleglobe USA Inc.
11495 Commerce Park Drive
Reston, Virginia 20191

with a copy to:

Troy F. Tanner
Ulises R. Pin
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W. Suite 300
Washington, DC 20007
(202) 424-7500

For SkyOnline:

Craig McBurnett
Chief Operating Officer
SkyOnline Holdings, LLC
8270 Greensboro Drive
Suite 950
McLean, Virginia 22102

with a copy to:

Jennifer Hindin
Nicole Rothstein
Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, DC 20006
(202) 719-7000

(4) Applicant Ownership – Name, Address, Citizenship and Principal Business of 10% Owners:

After completion of the Proposed Transactions, the following persons or entities will hold a ten percent (10%) or greater, direct or indirect interest in Telelobe PR:

Name:	SkyOnline
Address:	8270 Greensboro Drive, Suite 950 McLean, VA 22101
Citizenship:	USA
Percentage Held:	100% equity
Principal Business:	Telecommunications

In turn, SkyOnline is wholly-owned by:

Name:	SkyOnline, Inc.
Address:	8270 Greensboro Drive, Suite 950 McLean, VA 22101
Citizenship:	USA
Percentage Held:	100% equity
Principal Business:	Telecommunications

Through their ownership interests in SkyOnline, Inc., the following entities hold a ten percent (10%) or greater indirect ownership interest in SkyOnline:

Name:	Nouvel Investissement en Technologie S.A.
Address:	c/o Fidei S.A. 50, Val Fleuri L-1526 Luxembourg Luxembourg
Percentage Held:	45% equity
Citizenship:	Luxembourg
Principal Business:	Investment in telecommunications and media

Name:	Suez Connect, S.A.
Address:	16 rue de la Ville l'Eveque 75383 Paris Cedex 08 France
Percentage Held:	30.6% equity
Citizenship:	France
Principal Business:	Telecommunications

Name:	Pequot Capital Management, Inc.
Address:	500 Nyala Farm Road Westport, CT 06880
Percentage Held:	14.6% equity
Citizenship:	USA
Principal Business:	Investment in technology companies

Through its ownership interest in Suez Connect, S.A., the following entity holds a ten percent (10%) or greater indirect ownership interest in SkyOnline:

Name: Suez Lyonnaise des Eaux ("Suez")
 Address: 16 rue de la Ville-l'Evêque
 75383 Paris Cedex 08
 France
 Percentage Held: 30.6% (Suez Connect, S.A. is a wholly owned subsidiary of Suez Lyonnaise des Eaux)
 Citizenship: France
 Principal Business: Energy, water and waste services

Through their ownership interests in Nouvel Investissement en Technologie S.A., the following entities and individuals hold a ten percent (10%) or greater indirect ownership interest in SkyOnline:

Name: Melkan Properties S.A ("Melkan")
 Address: Arango Orillac Building
 East 54th Street
 Panama City
 Republic of Panama
 Percentage Held: 22% (owns 49.5% of Nouvel Investissement en Technologie S.A.)
 Citizenship: Panama
 Principal Business: Investments

Name: Gariston Investments, Inc. ("Gariston")
 Address: Arango Orillac Building
 East 54th Street
 Panama City
 Republic of Panama
 Percentage Held: 22% (owns 49.5% of Nouvel Investissement en Technologie S.A.)
 Citizenship: Panama
 Principal Business: Investments

Name: Roland de Kergorlay
 Address: Les Chalets du Palace, Appartement 930
 CH- 3780, Gstaad
 Switzerland
 Percentage Held: 22% (owns 99% of Melkan)
 Citizenship: France
 Principal Business: Investments

Name: Thais d'Annoux
Address: 23, avenue de la Dôle
1005 Lausanne
Switzerland
Percentage Held: 22% (owns 99% of Gariston)
Citizenship: France
Principal Business: Investments

Gariston and Melkan are companies that were formed for the purpose of investing in SkyOnline, Inc. (a Delaware company), with no pre-existing sales or revenues.

There are no other shareholders of SkyOnline, Inc. who directly or indirectly own 10 percent or more of the equity of SkyOnline, Inc.

(5) Anti-Drug Abuse Certification:

Telelobe USA, Telelobe, Telelobe PR, and SkyOnline certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(6) Description of the Transaction:

As noted in Section III above, by this Application, Applicants seek approval to consummate the Proposed Transactions.

(7) Geographic Area Description:

Telelobe USA currently provides inter-state communications services over its own facilities within the 50 United States and Puerto Rico. Relevant to this application, under the Proposed Transactions, Telelobe USA is assigning to Telelobe PR its assets related to its provision of communications services between the United States and Puerto Rico, namely a

customer contract for the provision of private lines between the continental United States and Puerto Rico. Subsequently, SkyOnline will then acquire the stock of Teleglobe PR and ultimately be responsible for the provision of this domestic private line service.

The current application does not involve consolidation of service, facilities or ownership of carriers. SkyOnline is a relatively new entity not providing telecommunications service between the United States and Puerto Rico, and its proposed acquisition of Teleglobe PR will therefore not eliminate any current competitor in the market for such telecommunications services.

Moreover, and particularly in view of the current debtor-in-possession status of Teleglobe Inc. and its subsidiaries, the acquisition of Teleglobe PR, its licenses and associated assets by a new carrier promises to ensure the continued operation of these assets.

(8) Presumption of Non-Dominance and Qualification for Streamlining:

As noted directly above and elsewhere, the present application qualifies for expedited processing since all of the Applicants are non-dominant carriers, and SkyOnline will not have a greater than 10 percent market share on the domestic U.S. – Puerto Rico private line route as a result of the transaction. The Proposed Transactions in no way holds any potential for lessening competition since it only involves one non-dominant carrier being bought by another.

(9) Other pending Commission applications concerning the Proposed

Transaction:

Contemporaneously herewith, Applicants are filing additional applications required to enable the above-described Proposed Transactions to proceed. These concern the following additional authorizations held by Teleglobe USA:

- International Section 214 Authority held by Teleglobe USA to construct, acquire and operate capacity in the MAYA-1 submarine cable, (File Number ITC-214-19990325-00153).
- Cable Landing License held by Teleglobe USA, to land and operate the MAYA-1 submarine cable (File Number SCL-LIC-19990325-00006).

(10) Special Consideration because of imminent business failure:

As described at length in the foregoing, Teleglobe USA and Teleglobe PR, are already under the jurisdiction of the Bankruptcy Courts. In order to assure an orderly and seamless closing of this proposed transaction upon Bankruptcy Court Approval and as soon as possible, the Transferee, SkyOnline, requests expedited treatment of this application to allow approval to be received as soon as possible.

(11) Waiver requests (if any)

None

(12) Public Interest Statement

As noted in Section IV above, grant of this application will serve the public interest, convenience and necessity.

VI. CONCLUSION

Based on the foregoing, Commission approval of the proposed *pro forma* assignment of certain domestic Section 214 Authority from Teleglobe USA to its subsidiary Teleglobe PR, and the subsequent acquisition of control of Teleglobe PR by SkyOnline will serve the public interest, convenience, and necessity.

Respectfully submitted,

**Teleglobe USA Inc.
Teleglobe Inc.
Teleglobe Puerto Rico Inc.
and
SkyOnline Holdings, LLC**

By: Jennifer Hindin by THT
Jennifer Hindin
Nicole Rothstein
Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, DC 20006

*Counsel to SkyOnline
Holdings, LLC*

By: Troy F. Tanner
Troy F. Tanner
Ulises R. Pin
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W. Suite 300
Washington, DC 20007-5116

*Counsel to Teleglobe USA Inc.,
Teleglobe Inc. and
Teleglobe Puerto Rico Inc.*

Date: August 14, 2002

* Admitted in New York Only

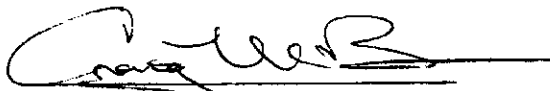
CERTIFICATION

I, Craig McBurnett, Chief Operating Officer of SkyOnline Holdings, LLC

("SkyOnline"), hereby certify that the information in this attached application as it pertains to

SkyOnline is true and accurate to the best of my knowledge and that:

1. SkyOnline is not a foreign carrier.
2. SkyOnline is not affiliated with a foreign carrier in any destination country served by the MAYA-1 cable.
3. No party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.


Craig McBurnett

Date: August 13, 2002

CERTIFICATION

I, Charles A. Tievsky, Assistant General Counsel of Teleglobe USA, Inc. ("Teleglobe"), hereby certify that the information in this application as it pertains to Teleglobe USA Inc. and Teleglobe Puerto Rico Inc. is true and accurate to the best of my knowledge and that no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.



Charles A. Tievsky

Date: August 14, 2002